

KINGS COUNTY ECONOMIC FORECAST

Kings County is located in the San Joaquin Valley, bordering Kern County to the south, Fresno County to the north and west, and Tulare County to the east. Kings County has a population of 149,400 people and 45,900 wage and salary jobs. The income per capita is \$34,671, and the average salary per worker is \$63,245.

Kings County has a strong farm sector, producing more than \$2 billion in agricultural commodities per year. It is one of the largest milk producers in the state of California, and also produces a significant amount of cotton. The state penitentiaries in Avenal and Corcoran, as well as the substance abuse treatment facility in Corcoran, are among the largest employers in the county. Combined, these facilities house more than 12,000 inmates and employ almost 4,000 workers.

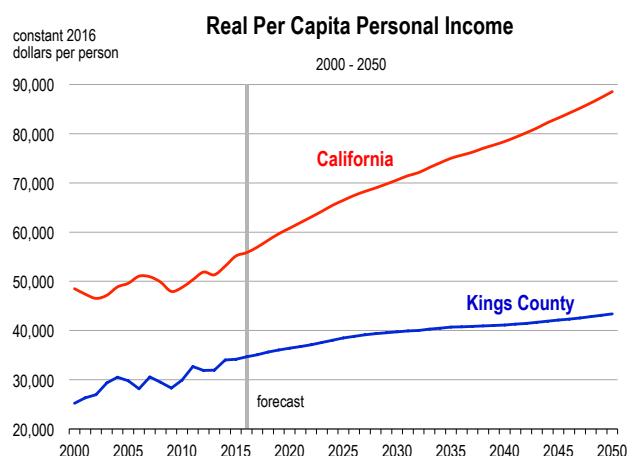
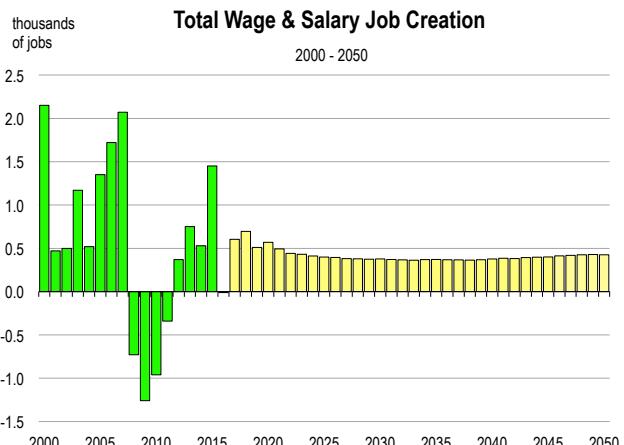
In 2016, employment across Northern California increased by 3.2 percent, whereas employment in the San Joaquin Valley (Fresno, Kings, Madera, Merced, San Joaquin, Stanislaus, and Tulare counties) grew by 2.9 percent. In Kings County, total employment was virtually unchanged. Farm employment declined by 2.7 percent, while non-farm employment increased by 0.5 percent. Although still very high, the unemployment rate improved over the course of the year, falling from 10.5 percent in 2015 to 10.0 percent in 2016.

During 2016, the strongest job growth occurred in wholesale and retail trade (+110 jobs), government (+90 jobs), transportation and utilities (+90 jobs), and leisure and hospitality (+60 jobs). The largest losses were in agriculture (-200 jobs), healthcare and education (-140 jobs), and financial activities (-80 jobs).

Between 2011 and 2016, the population of Kings County declined by an average of 0.3 percent per year. This decline was the result of out-migration, as the county lost an average of 1,900 net migrants per year.

FORECAST HIGHLIGHTS

- Total wage and salary employment is expected to increase by 1.3 percent in 2017. From 2017 to 2022, total wage and salary employment growth will average 1.1 percent per year.
- Average salaries are currently below the California state average, and will remain so over the forecast period. In Kings County, inflation-adjusted salaries are expected to rise by an average of 0.9 percent per year between 2017 and 2022.
- Between 2017 and 2022, the largest employment gains will be in the public sector. With 1,200 new jobs, this industry will account for 44 percent of net job creation in the county. An additional 44 percent of net job creation will be generated by education and healthcare (+600 jobs), manufacturing (+200 jobs), leisure and hospitality (+200 jobs), and agriculture (+200 jobs).
- Population growth in the county is expected to accelerate rapidly. During the 2017-2022 period, growth will average 1.0 percent per year.

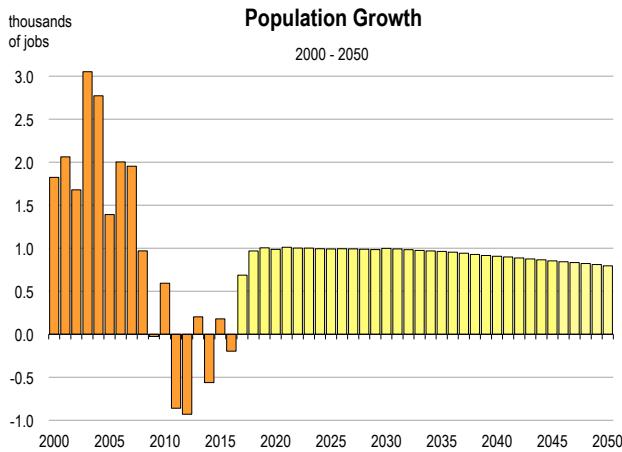


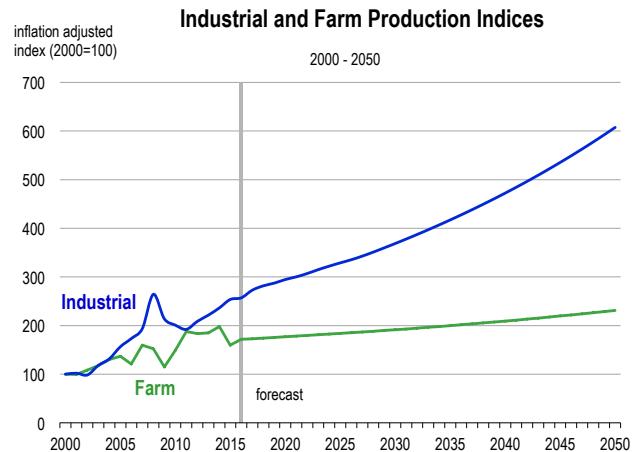
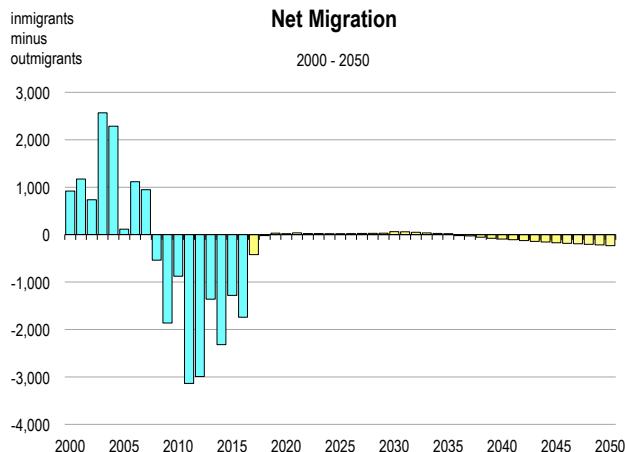
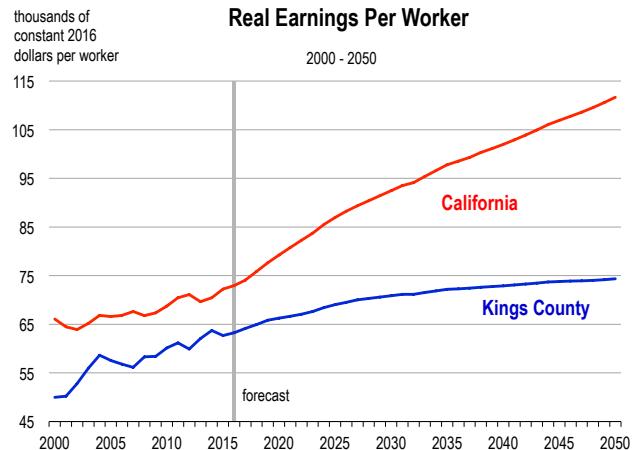
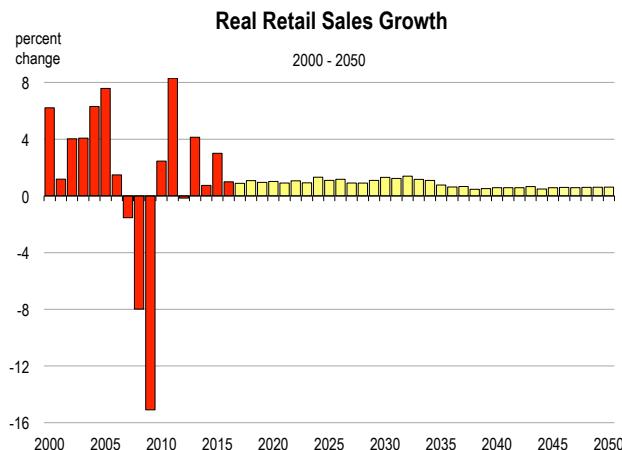
- Over the 2017-2022 period, net migration will be virtually flat. The number of residents that moves into Kings County is expected to largely match the number that moves out.
- Real income per capita is expected to rise by 1.1 percent in 2017. From 2017 to 2022, real income per capita is expected to grow by 1.1 percent per year.
- Total taxable sales, adjusted for inflation, are expected to increase by an average of 0.9 percent per year during the 2017-2022 period.
- Industrial production will advance by 6.1 percent in 2017. Over the entire 2017-2022 period, growth will average 2.4 percent per year.
- Farm production is expected to increase by 0.8 percent per year between 2017 and 2022. The principal commodity in the county is milk.

Kings County Economic Forecast

2010-2016 History, 2017-2050 Forecast

Population (people)	Net Migration (people)	Registered Vehicles (thousands)	Households (thousands)	New Homes Permitted (homes)	Total Taxable Sales (billions)	Personal Income (billions)	Real Per Capita Income (dollars)	Inflation Rate (% change in CPI)	Real Farm Crop Value (billions)	Real Industrial Production (billions)	Unemploy- ment Rate (percent)
2010	152,696	-875	104.2	41.2	241	\$1.19	\$4.06	\$29,910	1.3	1.93	1.09
2011	151,382	-3,138	103.4	41.4	193	\$1.32	\$4.51	\$32,680	2.7	2.43	1.04
2012	149,973	-2,990	103.3	41.4	247	\$1.39	\$4.46	\$31,883	2.7	2.37	1.13
2013	150,276	-1,360	106.2	41.6	238	\$1.46	\$4.54	\$31,945	2.3	2.40	1.20
2014	149,433	-2,321	107.7	41.8	415	\$1.40	\$4.90	\$34,043	2.8	2.57	1.28
2015	149,702	-1,282	110.5	42.0	515	\$1.70	\$5.00	\$34,172	2.6	2.07	1.38
2016	149,407	-1,739	113.1	42.3	519	\$1.74	\$5.18	\$34,671	3.0	2.22	1.40
2017	150,433	-421	115.0	43.0	549	\$1.81	\$5.43	\$35,064	3.1	2.24	1.48
2018	151,890	-17	116.8	43.5	620	\$1.88	\$5.73	\$35,645	3.0	2.26	1.53
2019	153,415	31	118.5	44.1	630	\$1.95	\$6.02	\$36,073	2.6	2.27	1.56
2020	154,929	1	120.0	44.7	612	\$2.02	\$6.31	\$36,415	3.1	2.29	1.60
2021	156,496	37	121.3	45.3	560	\$2.09	\$6.61	\$36,738	3.0	2.31	1.63
2022	158,063	23	122.7	45.9	506	\$2.17	\$6.93	\$37,124	3.0	2.33	1.67
2023	159,645	23	124.0	46.4	481	\$2.25	\$7.27	\$37,554	3.0	2.34	1.71
2024	161,232	13	125.5	46.8	473	\$2.33	\$7.62	\$38,057	2.9	2.36	1.75
2025	162,830	11	126.9	47.3	465	\$2.41	\$7.97	\$38,508	2.9	2.38	1.79
2026	164,448	21	128.3	47.7	465	\$2.49	\$8.31	\$38,839	2.8	2.40	1.82
2027	166,080	26	129.7	48.2	472	\$2.56	\$8.64	\$39,144	2.9	2.42	1.86
2028	167,721	27	131.1	48.6	475	\$2.65	\$8.99	\$39,350	2.7	2.44	1.91
2029	169,372	31	132.4	49.1	472	\$2.74	\$9.33	\$39,555	2.5	2.46	1.96
2030	171,063	63	133.8	49.5	470	\$2.83	\$9.68	\$39,743	2.4	2.48	2.01
2031	172,759	60	135.3	50.0	469	\$2.92	\$10.03	\$39,932	2.3	2.50	2.06
2032	174,457	50	136.8	50.5	466	\$3.03	\$10.39	\$40,026	2.5	2.52	2.11
2033	176,157	36	138.5	50.9	463	\$3.12	\$10.75	\$40,277	2.1	2.54	2.16
2034	177,863	26	140.3	51.4	458	\$3.21	\$11.14	\$40,489	2.3	2.57	2.21
2035	179,575	15	142.1	51.8	454	\$3.31	\$11.55	\$40,689	2.4	2.59	2.27
2036	181,289	-4	143.9	52.2	449	\$3.41	\$11.99	\$40,769	2.8	2.61	2.33
2037	182,996	-27	145.6	52.7	443	\$3.53	\$12.45	\$40,834	2.9	2.64	2.38
2038	184,694	-54	147.3	53.1	436	\$3.63	\$12.92	\$40,962	2.7	2.66	2.44
2039	186,384	-77	149.0	53.5	431	\$3.75	\$13.42	\$41,042	2.9	2.68	2.51
2040	188,074	-93	150.7	53.9	427	\$3.86	\$13.93	\$41,143	2.8	2.71	2.57
2041	189,763	-107	152.3	54.3	422	\$3.98	\$14.44	\$41,294	2.6	2.74	2.63
2042	191,446	-125	154.0	54.7	418	\$4.09	\$14.97	\$41,466	2.5	2.76	2.70
2043	193,122	-142	155.6	55.2	413	\$4.20	\$15.50	\$41,666	2.4	2.79	2.77
2044	194,793	-155	157.2	55.5	409	\$4.31	\$16.05	\$41,922	2.2	2.82	2.84
2045	196,454	-171	158.8	55.9	405	\$4.43	\$16.62	\$42,118	2.4	2.84	2.91
2046	198,110	-183	160.4	56.3	400	\$4.54	\$17.20	\$42,340	2.3	2.87	2.99
2047	199,760	-193	161.8	56.7	396	\$4.66	\$17.80	\$42,568	2.3	2.90	3.06
2048	201,402	-204	163.3	57.1	392	\$4.79	\$18.44	\$42,818	2.3	2.93	3.14
2049	203,035	-216	164.7	57.5	388	\$4.92	\$19.10	\$43,089	2.3	2.96	3.22
2050	204,649	-233	166.1	57.9	384	\$5.05	\$19.78	\$43,381	2.3	2.99	3.30





County Economic and Demographic Indicators

Projected Economic Growth (2017-2022)

Expected retail sales growth:	5.1%
Expected job growth:	5.8%
Fastest growing jobs sector:	Health and Education
Expected personal income growth:	11.2%

Expected population growth:	5.1%
Net migration to account for:	1.0%
Expected growth in number of vehicles:	6.6%

Demographics (2017)

Unemployment rate (April 2017):	9.5%
County rank* in California (58 counties):	51st
Working age (16-64) population:	65.5%

Population with B.A. or higher:	12.4%
Median home selling price (2016):	\$205,000
Median household Income:	\$46,784

Quality of Life

Violent crime rate (2015):	446 per 100,000 persons
County rank* in California (58 counties):	38th
Average commute time to work (2017):	24 minutes

High School drop out rate (2016):	7.9%
Households at/below poverty line (2017):	19.9%

* The county ranked 1st corresponds to the lowest rate in California